

CHANCE
MAY 1937

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1937.

No.  3

THE SCHRIBER-SCHROTH COMPANY, Petitioner,
vs.
THE CLEVELAND TRUST COMPANY, CHRYSLER
CORPORATION, Respondents.

No.  4

THE ABERDEEN MOTOR SUPPLY COMPANY, Petitioner,
vs.
THE CLEVELAND TRUST COMPANY, CHRYSLER
CORPORATION, Respondents.

No.  5

THE F. E. ROWE SALES COMPANY, Petitioner,
vs.
THE CLEVELAND TRUST COMPANY, CHRYSLER
CORPORATION, Respondents.

MOTION FOR LEAVE TO FILE SECOND PETITION FOR REHEARING

and

SECOND PETITION FOR REHEARING

Upon Petition for Writs of Certiorari to the United
States Circuit Court of Appeals for the Sixth Circuit.

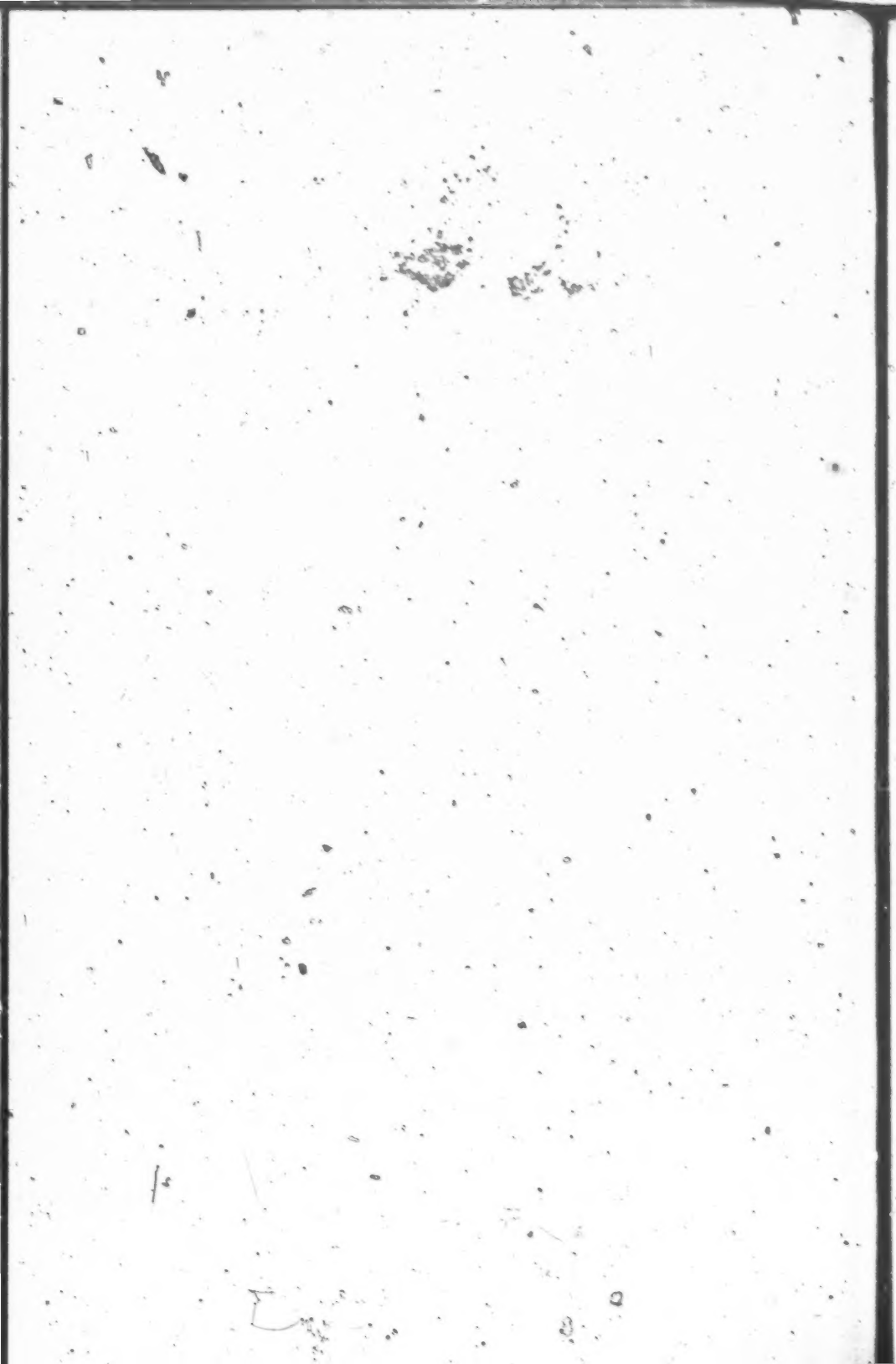
JOHN H. BRUNINGA,
JOHN H. SUTHERLAND,
Attorneys for Petitioners.

INDEX

	Page
Motion for leave to file second petition for rehearing..	1
Affidavit of Horace Duncan.....	5
Affidavit of Gregory Barac.....	6
Second petition for rehearing.....	9
If according to <i>Permutit v. Graver</i> , 284 U. S. 52, a patentee cannot predicate a patent monopoly upon something which is not described in his patent specification, can a patentee predicate a patent monopoly upon the very opposite of that which was described in his specification as filed in the Patent Office; especially where, after intervening rights arose, the specification was amended to de- scribe the very antithesis of that which was originally described?	13
Public importance	15

Cases Cited.

Altoona Publix Theaters, Inc., v. American Tri-Ergon Corp., 294 U. S. 477.....	10
Paramount Publix Corp. v. American Tri-Ergon Corp., 294 U. S. 464.....	10
<i>Permutit v. Graver</i> , 284 U. S. 52.....	13, 14, 15
Powers-Kennedy Corporation v. Concrete M. & C. Co., 282 U. S. 175.....	14
United States of America v. Robert Esnault-Pelterie, No. 231	13
Wabash Appliance Company et al. v. General Electric Company, No. 712.....	13



SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1937.

No. 674.

THE SCHRIBER-SCHROTH COMPANY,

Petitioner,

vs.

THE CLEVELAND TRUST COMPANY, CHRYSLER CORPORATION.

Respondents.

No. 675.

THE ABERDEEN MOTOR SUPPLY COMPANY.

Petitionär.

-VS-

THE CLEVELAND TRUST COMPANY, CHRYSLER CORPORATION.

Respondents.

No. 676.

THE F. E. ROWE SALES COMPANY,

Petitioner,

VS.

THE CLEVELAND TRUST COMPANY, CHRYSLER CORPORATION.

Respondents.

**MOTION FOR LEAVE TO FILE SECOND PETITION
FOR REHEARING**

Upon Petition for Writs of Certiorari to the United States
Circuit Court of Appeals for the Sixth Circuit.

To the Honorable, The Chief Justice of the United States,
and the Associate Justices of the Supreme Court of the
United States:

Now come Petitioners in the above-entitled cases and move for leave to file their Second Petition for Rehearing (lodged herewith) upon their Petition for Writs of Certiorari to the Circuit Court of Appeals for the Sixth Circuit.

In support of this motion Petitioners show:

That, in their Petition for Writs of Certiorari, Petitioners charged that it was "doubtful that Respondent will permit another Circuit Court of Appeals to adjudicate the patents here in suit (Petition, p. 13) because of the fact that all of the important^{*} aluminum piston business in this country is controlled by the Sixth Circuit decision, and that Respondent would prefer to forego any attempt to enforce its patents against lesser infringers elsewhere, rather than to risk adjudication thereof in another circuit.

To this Respondent answered (Br. p. 5) that there were other infringers in other circuits, and that "there has been no time to institute suit against" others in other circuits "and no need to do so until it can be determined whether such infringements will cease without suit." Again in opposition to our Petition for Rehearing Respondent said (Br. p. 3) that "they may withhold litigation until others have had a reasonable opportunity to conform to the rulings of the Court of Appeals for the Sixth Circuit."

That Petitioners challenge the sincerity of Respondent, in impliedly thus saying to this Court, that if the other manufacturers in other circuits did not conform to the ruling of the Court of Appeals for the Sixth Circuit, suits would be instituted in other circuits. More than seven months have now elapsed since the decision of the Sixth Circuit Court of Appeals. Although the opportunity exists in the Seventh, Eighth and Ninth Circuits (as shown by the annexed affidavit of Gregory Barac), Respondent has not yet instituted suit in any other circuit.

That Respondent has had ample "time to institute suits".

^{*}85% of the nation's aluminum piston business—see annexed affidavit of Horace Duncan.

in other circuits, if it had any intention of so doing, and the manufacturers in other circuits have had ample "opportunity to conform to the ruling of the Court of Appeals for the Sixth Circuit" if they purpose to do so.

That the Respondent has confined, and in all probability will continue to confine, its litigation to the Sixth Circuit rather than to risk its patents in another circuit and thus Respondent is in position to forestall a conflict between decisions of different circuits and consequently to forestall an adjudication of its patents by this Court unless this Court intercedes in these cases.

That no member of the public can compel Respondent to adjudicate its patents in any other circuit, and there is no indication that Respondent will ever voluntarily afford any other Circuit Court of Appeals an opportunity to adjudicate Respondent's patents.

That the Petition for Writ of Certiorari and the Second Petition for Rehearing thereon are meritorious and present questions of great public importance as well as important questions of patent law which have not been settled by this Court.

Wherefore, it is prayed that leave be granted Petitioners to file their Second Petition for Rehearing (lodged herewith) upon their Petition for Writs of Certiorari.

**THE SCHRIEBER-SCHROTH COMPANY,
THE ABERDEEN MOTOR SUPPLY COMPANY,
THE F. E. ROWE SALES COMPANY,**

Petitioners.

**JOHN H. BRUNINGA,
JOHN H. SUTHERLAND,
Attorneys for Petitioners.**

It is hereby certified that the foregoing Motion for Leave to file Second Petition for Rehearing is believed to be well founded in law and in fact, and that it is not interposed for the purpose of delay.

John H. Bruninga.

AFFIDAVIT OF HORACE DUNCAN.

State of Missouri, }
City of St. Louis. } ss.

Horace Duncan, being duly sworn, deposes and says that he is secretary and treasurer of Sterling Aluminum Products, Inc. (formerly called Sterling Products Corporation); that he has been engaged in, and familiar with, the aluminum piston business since 1923; and that he is, and has been, in position to estimate the volume of aluminum piston business done by the competitors of Sterling Aluminum Products, Inc.

That, in the opinion of affiant, more than ninety-five per cent of the aluminum pistons manufactured in the United States are either manufactured by manufacturers located within the States of Ohio and Michigan, or manufactured by Sterling Aluminum Products, Inc., or assembled into automobiles by manufacturers located within the States of Ohio and Michigan.

Horace Duncan.

Sworn to and subscribed before me this 21st day of May, 1938.

My commission expires November 4, 1940.

Joseph V. McShane,
Notary Public.

(Seal)

AFFIDAVIT OF GREGORY BARAC.

State of Missouri, } ss.
City of St. Louis. }

Gregory Barac, being duly sworn, deposes and says that he is of lawful age, that he is assistant to the Manager of Replacement Sales of Sterling Aluminum Products, Inc., of St. Louis, Missouri, and that he is familiar with the type of aluminum pistons offered for sale to the replacement trade by the competitors of Sterling Aluminum Products, Inc.

Affiant further says that pistons of the character shown in the following cuts



have been, and are being offered for sale in the replacement trade by the competitors of Sterling Aluminum Products, Inc. That the piston shown in Figure 1, above, is being offered for sale and sold by the Elgin Machine

Works, Inc., of Elgin, Illinois, and that on May 17, 1938, affiant purchased the piston shown in Figure 1 from said Elgin Machine Works, Inc.

Affiant further says that on May 17, 1938, he purchased the piston shown in Figure 2, above, from Automotive Warehousing Company of St. Louis, Missouri, and was then and there informed that said piston was manufactured by the United Engine and Machine Company of San Leandro, California.

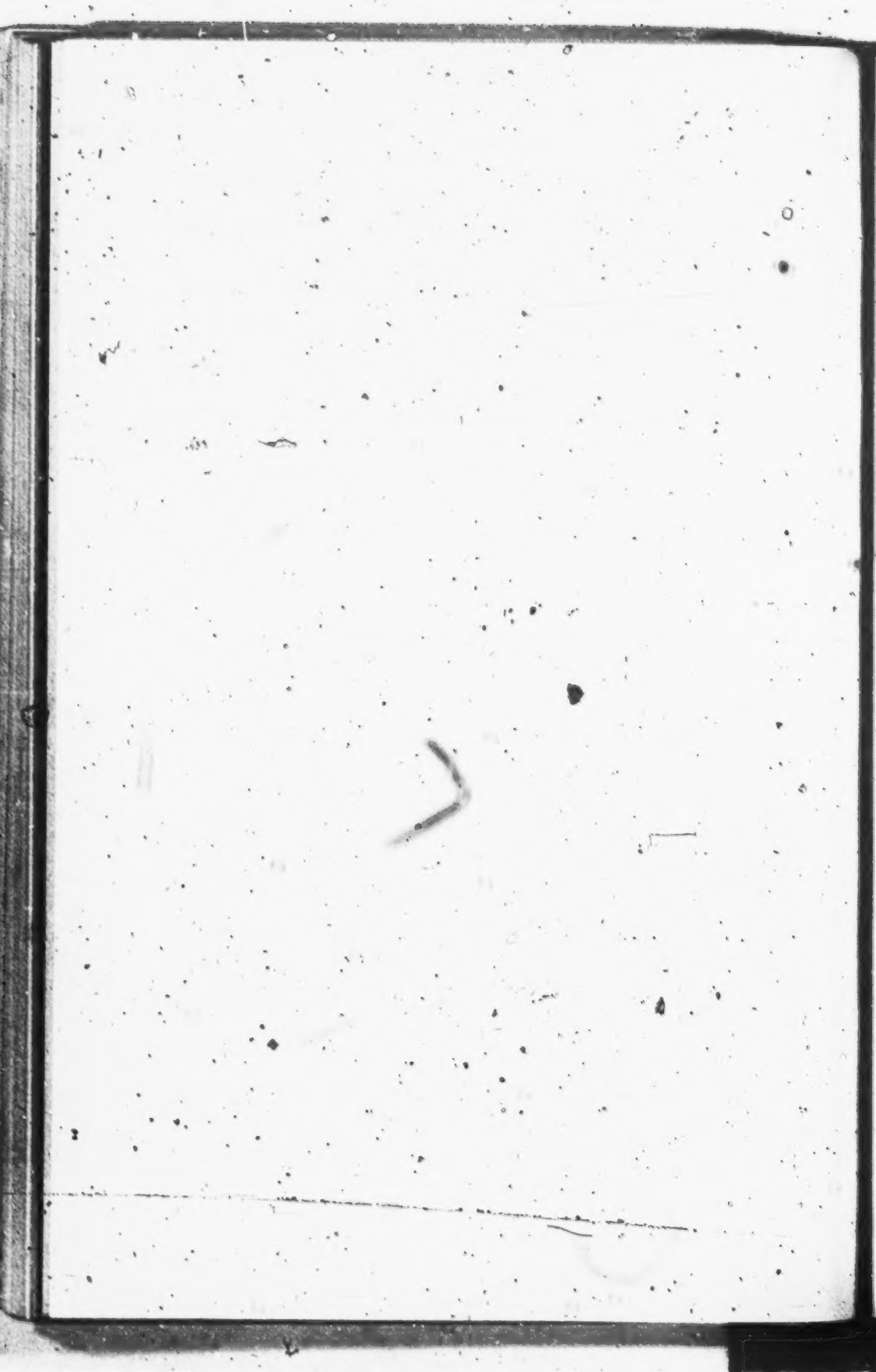
Gregory Barac.

Sworn to and subscribed before me this 21st day of May, 1938.

My commission expires November 4, 1940.

Joseph V. McShane,
Notary Public.

(Seal)



SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1937.

No. 674.

THE SCHRIBER-SCHROTH COMPANY,

W.

THE CLEVELAND TRUST COMPANY, CHRYSLER CORPORATION, Respondents.

No. 675.

THE ABERDEEN MOTOR SUPPLY COMPANY, Petitioner,

42

THE CLEVELAND TRUST COMPANY, CHRYSLER CORPORATION, Respondents.

No. 676.

THE F. E. ROWE SALES COMPANY,

52

THE CLEVELAND TRUST COMPANY, CHRYSLER CORPORATION, Respondents.

SECOND PETITION FOR REHEARING

Upon Petition for Writs of Certiorari to the Circuit Court
of Appeals for the Sixth Circuit.

To the Honorable, The Chief Justice of the United States,
and the Associate Justices of the Supreme Court of
the United States:

Petitioners recognize that, as a general rule, this Court should not be burdened with patent cases, save where

there is a conflict between decisions of different circuits. But in a case such as this where the decision of one Circuit controls virtually the entire industry throughout the United States; at least the ninety-five per cent* of it, the Court would be justified in relaxing the general rule as it did in *Paramount Publix Corp. v. American Tri-Ergon Corp.*, 294 U. S. 464, and in *Altoona Publix Theaters, Inc., v. American Tri-Ergon Corp.*, 294 U. S. 477, where a comparable situation as to nation-wide effect of the decision of one circuit prevailed.

Indeed, in the instant cases there would appear to be a stronger reason for relaxing the rule than in the case of *Altoona Publix Theaters, Inc., v. American Tri-Ergon, Corp.*, *supra*, where the lower courts had concurred in holding the patent valid. On the contrary, in the instant cases the Circuit Court of Appeals is the only one of three tribunals considering this litigation that has held the patents valid. The cases were tried on the merits before a Special Master who found the patents invalid (R. pp. 1106-9). Upon exceptions the District Court confirmed the Master's report holding the patents invalid (R. p. 1229). Then the Circuit Court of Appeals reversed, and held valid two of the five patents sued upon, dismissing without prejudice as to the other three patents (R. p. 2395).

As thus narrowed by the Court of Appeals the sole issue now involved in these cases is whether Respondent has a

*Affidavit of Horace Duncan answered to Motion for Leave.

right to prevent Petitioners from making and selling an aluminum piston as shown:



Exhibit 1

where that piston is nothing in the world but the piston of the Respondent's own now-expired Schmiedeknecht patent (R. p. 1305)



Perspective view of Schmiedeknecht patent piston.

slotted to embody the teaching of Respondent's own now-expired Franquist patent (R. p. 1687):

“With this object in view, the invention consists of a piston having a sleeve which is circumferentially compressible and is adapted to have a snug sliding fit in the cylinder when cold, so that upon an expansion of the piston its sleeve will automatically yield sufficiently to prevent the piston from sticking in the cyl-

inder, and after the cylinder has also expanded will again automatically resume substantially its normal size and take up the free play between the cylinder and piston, which would otherwise occur" (p. 1 of patent, lines 14-25).

The Court of Appeals held that Petitioners' Piston, Exhibit 1, *supra*, infringed the Gulick and Maynard patents. The Special Master and the District Court had held (Fact Finding 51, R. p. 1105) that Petitioners' accused pistons were of the prior art.

Through the expedient of pooling many patents Respondent was enabled from 1924 to control the marketing of the type of piston exemplified by Exhibit 1 under and by virtue of the Franquist and Schmiedeknecht patents until their expiration. Notices were issued, suits brought, judgments recovered, injunctions issued upon the Franquist patent. Upon the eve of its expiration, Respondent had issued to it the Gulick patent, application for which had been filed fourteen years before. After the issuance of the Gulick patent, and in order to devitalize the anticipatory effect of Franquist, Respondent repudiated its time-worn contention that the Franquist patent was pioneer and denounced the Franquist patent as being the very opposite of that which was required for aluminum piston construction (Master's Report, Rec. pp. 1121, 1122-3).

In the Petition for Writ of Certiorari Petitioners presented several novel and important propositions of law. Petitioners charged that the Court of Appeals for the Sixth Circuit had failed to apply or had misapplied the decisions of this Court, and that if the decisions of this Court had been properly applied, both the Gulick patent and the Maynard patent would have been held invalid.

One of these propositions, in the belief of Petitioners, will

dispose of the whole case, as narrowed by the Court of Appeals decision. This has reference to the sufficiency of the specifications of the Gulick and Maynard patents to comply with the requirements of the Statute, R. S. 4888.

If According to *Permutit v. Graver*, 284 U. S. 52, a Patentee Cannot Predicate a Patent Monopoly Upon Something Which is Not Described in His Patent Specification, Can a Patentee Predicate a Patent Monopoly Upon the Very Opposite of That Which Was Described in His Specification as Filed in the Patent Office; Especially Where, After Intervening Rights Arose, the Specification Was Amended to Describe the Very Antithesis of That Which Was Originally Described.

The importance of this proposition, as an abstract question of law, is significantly illustrated by the fact that, at this term of this Court, it has been presented by the Petitions for Writs of Certiorari in two other cases, to wit: *United States of America v. Robert Esnault-Pelterie*, No. 231, and *Wabash Appliance Company et al. v. General Electric Company*, No. 712. The Court's decision in No. 231 was predicated upon a different point, and the Court denied the petition in No. 712 so that the Court has not yet expressed its views with reference to the proposition presented here.

In this case it is indisputable that the Gulick patent application, as filed in the Patent Office, described the so-called "webs" as "extremely-rigid" (R. p. 1839). It is indisputable that four years and ten months later the Gulick specification was changed (R. p. 1867) to describe the webs "laterally flexible." It is indisputable that in the meantime others had adopted, used, and commercialized aluminum pistons with flexible webs (R. pp. 1102-3). It is in-

disputable that in its decision (R. pp. 2386, 2392) the Court of Appeals for the Sixth Circuit regarded "flexible webs" as the very essence of the piston which that Court found the patents to cover. The Court of Appeals held that Respondent was within its rights in so amending the Gulick specification. Unless this Court approves such a ruling it is thought that it should intercede and review the cases.

The Maynard patent contains no description at all of "flexible webs," and, consequently, as to that patent, this case is indistinguishable from this Court's decision in *Permutit v. Graver*, 284 U. S. 52. Were it not for the disposition of the Sixth Circuit Court of Appeals to restrict, or to refuse to apply the doctrine of *Permutit v. Graver* to the same extent which other courts have applied it (vide, cases cited in Petition, p. 9), it would seem inescapable that, if "flexible webs" was an element of the combination patented by Maynard, the patent was invalid under *Permutit v. Graver*.

The Gulick patent, as issued, does describe flexible webs. As filed, the application for it described the very antithesis of flexible webs. After intervening rights arose the change was made. As to Gulick, therefore, the Court of Appeals' decision involves not only a refusal to apply the doctrine of *Permutit v. Graver*, but, compounded with that, a disregard of the doctrine of *Powers-Kennedy Corporation v. Concrete M. & C. Co.*, 282 U. S. 175.

Although these points were stressed in the presentation of the case to the Court of Appeals, its decision is strangely silent with reference to the effect of the *Permutit v. Graver* and *Powers-Kennedy Cases*. Obviously, if anything had been said by the Court of Appeals with reference to those cases, it would have been unqualifiedly wrong, if consistent with the ultimate decision as to the validity of the patents.

It goes without saying, we think, that if this Court's decision in *Permutit v. Graver* had come down before the Gulick patent was issued, or before the decisions of the administrative tribunals with reference to Gulick's right to make such antithetical amendments in his specification, the Gulick patent, in its present form at least, would never have been issued.

That this Court has not varied from the doctrine of *Permutit v. Graver* is emphasized by the fact that as recently as May 16, 1938, this Court applied the doctrine of that case to hold invalid the patent involved in *General Electric Company v. Wabash Appliance Company et al.*, No. 453.

Public Importance.

Contrary to the usual situation in patent cases which this Court may be urged to review, the decision of the Sixth Circuit Court of Appeals in these cases is the practical equivalent of a decision of this Court in so far as its effect upon the aluminum piston industry is concerned. Not only are the automobile manufacturers, the principal users of aluminum pistons, located within the Sixth Circuit, but large numbers of aluminum pistons have been manufactured within the Sixth Circuit, and, furthermore, as pointed out by the Court of Appeals in its decision, the proceedings in these cases have been carried on by Sterling Products Corporation (now called Sterling Aluminum Products, Inc.) of St. Louis, Missouri. Others make less than five per cent of the aluminum pistons made in this country.

As shown in the Motion for leave to file this Petition for Rehearing, the opportunity for Respondent to institute suits prevails in the Seventh, Eighth and Ninth Circuits, but from the standpoint of business prudence, it is unrea-

sonable to expect that Respondent will risk its ninety-five per cent control of the aluminum piston industry in any effort to dispose of the other five per cent. It is unreasonable to think that Respondent has any intention of giving another Circuit Court of Appeals an opportunity to adjudicate the Gulick and Maynard patents. Respondent itself being an inhabitant of the Sixth Circuit, no member of the public can force an adjudication of the patents in another circuit by declaratory judgment proceedings, or otherwise.

In such a situation it is evident that this Court will never have an opportunity to resolve a conflict between decisions of different Circuit Courts of Appeals. In such a situation the general rule of this Court not to take patent cases, save to resolve such a conflict, is unduly harsh upon the manufacturing industry and unjustly favorable to a patentee. Such a rule leaves it within the control of the patentee to say whether this Court shall pass upon his patents.

Wherefore, it is prayed that the Court reconsider the Petition for Writs of Certiorari in these cases and grant the same.

Respectfully submitted,

JOHN H. BRUNINGA,

JOHN H. SUTHERLAND,

Attorneys for Petitioners.

May 21, 1938.

I hereby certify that the foregoing Petition for Rehearing is filed in good faith and not for the purpose of delay.

John H. Bruninga.